## Memorandum

### Finance and Technology Department



Date: December 14, 2012
To: Mayor and Council

From: Ken Jones, Finance and Technology Director (350-8504)

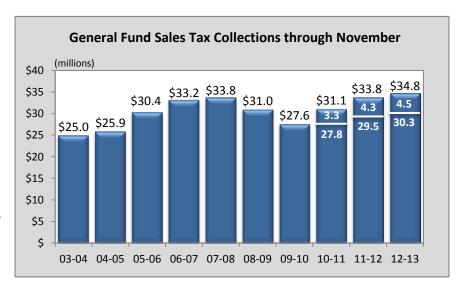
Subject: Tax Revenue Statistical Report – **November 2012** 

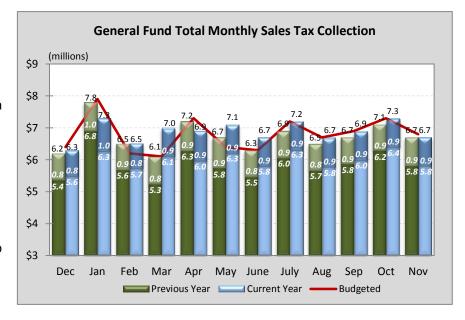
Attached is the Executive Summary of the Tax Revenue Statistical Report for November 2012 covering October sales activity reported to our Tax and License Division in November.

The graph to the right depicts year-todate General Fund historical privilege tax revenue from FY 2003-04 through FY 2012-13. General Fund Sales Tax revenue collected for 2012-13 is up 2.9% from the same period in the prior fiscal year. In terms of actual dollars received (\$34.8 million), we are \$983 thousand ahead of last fiscal year (\$33.8 million). Of the total amount collected through November, \$4.5 million was from the temporary sales tax, which expires in June 2014. The leading category of growth was Retail, which grew by 5.6%. Gains were partially offset by a 11.3% decline in Contracting sales tax collections through November.

The graph to the right represents twelve months of activity, comparing current year General Fund monthly sales tax collections to the previous year. Current and previous years' collections are broken into two components: the 1.2% permanent tax and the 0.2% temporary tax.

Though sales taxes are not budgeted on a monthly basis, it is possible to apply historical collection percentages to the annual budget number to gain insight into sales tax performance. Using this approach, sales tax collections are 0.3%, or \$108 thousand below forecast through November.





## **Executive Summary**

-	Current Month -November							Fiscal Year to Date through November								
- -	2009-10	Change	2010-11	Change	2011-12	Change	2012-13	Change	2009-10	Change	2010-11	Change	2011-12	Change	2012-13	Change
Taxable Sales																
Total Taxable Sales	459,345,000	-13.0%	473,251,000	3.0%	507,784,000	7.3%	503,970,000	-0.8%	2,444,979,000	-11.8%	2,481,757,000	1.5%	2,562,693,000	3.3%	2,640,376,000	3.0%
Retail Taxable Sales	219,925,000	-6.4%	232,510,000	5.7%	249,120,000	7.1%	242,094,000	-2.8%	1,144,021,000	-10.3%	1,235,524,000	8.0%	1,250,537,000	1.2%	1,330,774,000	6.4%
Tax Revenues by Funds																
Privilege Tax - General Fund (1.2%)	5,166,000	-14.0%	5,301,000	2.6%	5,827,000	9.9%	5,882,000	0.9%	27,610,000	-10.8%	27,806,000	0.7%	29,489,000	6.1%	30,305,000	2.8%
Temporary Privilege Tax - General Fund	0,000		801,000		870,000	8.6%	866,000	-0.5%	, ,		3,254,000		4,320,000	32.8%	4,487,000	3.9%
Transit Tax Fund (.5%)	2,153,000	-14.2%	2,209,000	2.6%	2,428,000	9.9%	2,453,000	1.0%	11,512,000	-11.1%	11,594,000	0.7%	12,297,000	6.1%	12,639,000	2.8%
Arts Tax Fund (.1%)	444,000	-13.8%	456,000	2.7%	499,000	9.4%	506,000	1.4%	2,373,000	-11.0%	2,391,000	0.8%	2,534,000	6.0%	2,605,000	2.8%
Privilege Tax - Rebates Fund	324,000	-0.6%	367,000	13.3%	260,000	-29.2%	285,000	9.6%	1,672,000	-11.2%	1,898,000	13.5%	1,456,000	-23.3%	1,497,000	2.8%
Bed Tax Fund	217,000	-14.9%	359,000	65.4%	393,000	9.5%	385,000	-2.0%	765,000	-23.8%	1,197,000	56.5%	1,316,000	9.9%	1,373,000	4.3%
Totals	8,304,000	-13.6%	9,493,000	14.3%	10,277,000	8.3%	10,377,000	1.0%	43,932,000	-11.2%	48,140,000	9.6%	51,412,000	6.8%	52,906,000	2.9%
Tax Revenues - Business Activities																
Retail	4,076,000	-9.0%	4,759,000	16.8%	5.041.000	5.9%	5,057,000	0.3%	21,169,000	-8.8%	24.189.000	14.3%	25.732.000	6.4%	27,182,000	5.6%
Rentals	1,616,000	-10.3%	1,839,000	13.8%	1,952,000	6.1%	2,074,000	6.3%	8,563,000	-4.3%	9,276,000	8.3%	9,767,000	5.3%	10,054,000	2.9%
Utilities/Communication	788,000	-6.0%	888,000	12.7%	981,000	10.5%	921,000	-6.1%	4,699,000	-10.3%	5,119,000	8.9%	5,252,000	2.6%	5,215,000	-0.7%
Restaurants	710,000	-4.2%	835,000	17.6%	940,000	12.6%	872,000	-7.2%	3,312,000	-8.5%	3,671,000	10.8%	3,991,000	8.7%	4,028,000	0.9%
Contracting	524,000	-47.7%	381,000	-27.3%	501,000	31.5%	571,000	14.0%	3,661,000	-29.9%	2,637,000	-28.0%	3,332,000	26.4%	2,957,000	-11.3%
Hotel/Motel	167,000	-22.7%	194,000	16.2%	232,000	19.6%	207,000		604,000		687,000	13.7%	769,000	11.9%	755,000	-1.8%
Transient (Bed Tax)	217,000	-14.9%	359,000	65.4%	394,000	9.7%	386,000	-2.0%	766,000		1,198,000	56.4%	1,317,000	9.9%	1,374,000	4.3%
Amusements	120,000	-9.8%	135,000	12.5%	131,000	-3.0%	118,000	-9.9%	681,000	0.0%	763,000	12.0%	739,000	-3.1%	648,000	-12.3%
All Other	86,000	-43.0%	103,000	19.8%	105,000	1.9%	171,000	62.9%	477,000		600,000	25.8%	513,000	-14.5%	693,000	35.1%
Totals	8,304,000	-13.6%	9,493,000	14.3%	10,277,000	8.3%	10,377,000	1.0%	43,932,000	-11.2%	48,140,000	9.6%	51,412,000	6.8%	52,906,000	2.9%
Tax Revenues - Retail Activities Breakdown																
Automotive	511,000	-14.5%	691,000	35.2%	784,000	13.5%	848,000	8.2%	3,026,000	-16.8%	3,406,000	12.6%	3,828,000	12.4%	4,413,000	15.3%
Furniture/Equipment/Electronics	861,000	-9.2%	1,042,000	21.0%	1,045,000	0.3%	1,064,000	1.8%	4,141,000	-24.3%	5,349,000	29.2%	5,420,000	1.3%	5,951,000	9.8%
Department Stores	749,000	-7.1%	830,000	10.8%	881,000	6.1%	880,000	-0.1%	3,863,000	-10.3%	4,307,000	11.5%	4,699,000	9.1%	4,882,000	3.9%
Grocery Stores	514,000	-7.7%	491,000	-4.5%	575,000	17.1%	593,000	3.1%	2,516,000	-6.7%	2,630,000	4.5%	2,858,000	8.7%	2,927,000	2.4%
Drugs/Small Stores	459,000	5.3%	491,000	7.0%	555,000	13.0%	521,000	-6.1%	2,263,000	-4.4%	2,615,000	15.6%	2,787,000	6.6%	2,818,000	1.1%
Manufacturing Firms	267,000	-46.8%	300,000	12.4%	318,000	6.0%	308,000	-3.1%	1,559,000	-8.3%	1,373,000	-11.9%	1,666,000	21.3%	1,655,000	-0.7%
Building Supply Stores	176,000	-9.7%	195,000	10.8%	200,000	2.6%	213,000	6.5%	826,000	-6.1%	898,000	8.7%	909,000	1.2%	921,000	1.3%
All Other Retail	539,000	24.2%	719,000	33.4%	683,000	-5.0%	630,000	-7.8%	2,975,000	37.7%	3,611,000	21.4%	3,565,000	-1.3%	3,615,000	1.4%
Totals	4,076,000	-8.9%	4,759,000	16.8%	5,041,000	5.9%	5,057,000	0.3%	21,169,000	-8.8%	24,189,000	14.3%	25,732,000	6.4%	27,182,000	5.6%
Tax Revenues - Business Districts																
Elliot Corridor	995,000	-8.4%	1,267,000	27.3%	1,313,000	3.6%	1,379,000	5.0%	5,365,000	-14.8%	6,208,000	15.7%	6,335,000	2.0%	7,504,000	18.5%
Autoplex (included in Elliot Corridor)	326,000	-8.4% -17.0%	462,000	41.7%	534,000	3.6% 15.6%	580,000	5.0% 8.6%	1,982,000		2,238,000	15.7%	2,489,000	2.0% 11.2%	3,061,000	23.0%
Market Place	347,000	2.1%	387,000	11.5%	398,000	2.8%	415,000	4.3%	1,778,000	-21.0%	1,975,000	12.9%	2,489,000	4.6%	2,183,000	23.0% 5.7%
Mills Mall	364,000	-4.2%	444,000	22.0%	460,000	3.6%	451,000	-2.0%	1,986,000	-10.3%	2,343,000	18.0%	2,525,000	7.8%	2,528,000	0.1%
Downtown Tempe	266,000	-4.2%	307,000	15.4%	401,000	30.6%	377,000	-6.0%	1,063,000		1,192,000	12.1%	1,340,000	12.4%	1,406,000	4.9%
Apache Blvd.	176,000	1.1%	189,000	7.4%	192,000	1.6%	181,000	-5.7%	769,000	-6.1%	896,000	16.5%	909,000	1.5%	896,000	-1.4%
ASU Properties	116,000	-23.7%	155,000	33.6%	215,000	38.7%	218,000	1.4%	483,000	-28.8%	672,000	39.1%	809,000	20.4%	892,000	10.3%
Rio Salado (1.8% and 3.0% Bed Tax)	209,000	31.4%	239,000	14.4%	267,000	11.7%	242,000	-9.4%	1,021,000	4.2%	1,190,000	16.6%	1,269,000	6.6%	1,127,000	-11.2%
All Other Areas	5,831,000	-16.6%	6,505,000	11.6%	7,031,000	8.1%	7,114,000	1.2%	31,467,000		33,664,000	7.0%	36,159,000	7.4%	36,370,000	0.6%

## Privilege Tax Revenue - General Fund (1.2%) Year-to-Date Comparison- November

#### **Monthly Amounts**

	2008-09	%	2009-10	%	2010-11	%	2011-12	%	2012-13	%
Jul	6,561,000	-7.8%	5,836,000	-11.1%	5,689,000	-2.5%	6,008,000	5.6%	6,280,000	4.5%
Aug	6,045,000	-8.2%	5,565,000	-7.9%	5,351,000	-3.8%	5,675,000	6.1%	5,808,000	2.3%
Sep	6,012,000	-6.6%	5,431,000	-9.7%	5,703,000	5.0%	5,804,000	1.8%	6,003,000	3.4%
Oct	6,341,000	-11.7%	5,611,000	-11.5%	5,762,000	2.7%	6,174,000	7.2%	6,331,000	2.6%
Nov	6,008,000	-7.5%	5,166,000	-14.0%	5,301,000	2.6%	5,828,000	9.9%	5,883,000	0.9%
Dec	6,023,000	-0.7%	5,185,000	-13.9%	5,379,000	3.7%	5,602,000	4.1%		
Jan	7,104,000	-4.8%	6,939,000	-2.3%	6,757,000	-2.6%	6,370,000	-5.7%		
Feb	5,350,000	-11.7%	4,937,000	-7.7%	5,617,000	13.8%	5,680,000	1.1%		
Mar	5,159,000	-13.1%	5,162,000	0.1%	5,302,000	2.7%	6,108,000	15.2%		
Apr	6,412,000	-9.2%	6,091,000	-5.0%	6,337,000	4.0%	5,992,000	-5.4%		
May	5,381,000	-12.4%	5,225,000	-2.9%	5,784,000	10.7%	6,253,000	8.1%		
Jun	5,503,000	-12.9%	5,334,000	-3.1%	5,439,000	2.0%	5,793,000	6.5%		
Total	71,899,000	-8.8%	66,482,000	-7.5%	68,421,000	2.9%	71,287,000	4.2%	30,305,000	

#### **Cumulative Amounts**

	2008-09 %		2009-10 %		2010-11 %		2011-12 %		2012 12 0/	
	2008-09	%	2009-10		2010-11		2011-12	<b>70</b>	2012-13	%
Jul	6,561,000	-7.8%	5,836,000	-11.1%	5,689,000	-2.5%	6,008,000	5.6%	6,279,000	4.5%
Jul-Aug	12,606,000	-8.0%	11,401,000	-9.6%	11,040,000	-3.2%	11,683,000	5.8%	12,087,000	3.5%
Jul-Sep	18,618,000	-7.6%	16,833,000	-9.6%	16,743,000	-0.5%	17,487,000	4.4%	18,090,000	3.4%
Jul-Oct	24,959,000	-8.7%	22,444,000	-10.1%	22,505,000	0.3%	23,661,000	5.1%	24,422,000	3.2%
Jul-Nov	30,967,000	-8.4%	27,610,000	-10.8%	27,806,000	0.7%	29,489,000	6.1%	30,305,000	2.8%
Jul-Dec	36,990,000	-7.3%	32,795,000	-11.3%	33,185,000	1.2%	35,091,000	5.7%		
Jul-Jan	44,094,000	-6.9%	39,734,000	-9.9%	39,942,000	0.5%	41,461,000	3.8%		
Jul-Feb	49,444,000	-7.4%	44,671,000	-9.7%	45,559,000	2.0%	47,141,000	3.5%		
Jul-Mar	54,603,000	-8.0%	49,833,000	-8.7%	50,861,000	2.1%	53,249,000	4.7%		
Jul-Apr	61,015,000	-8.1%	55,924,000	-8.3%	57,198,000	2.3%	59,241,000	3.6%		
Jul-May	66,396,000	-8.5%	61,149,000	-7.9%	62,982,000	3.0%	65,494,000	4.0%		
Jul-Jun	71,899,000	-8.8%	66,483,000	-7.5%	68,421,000	2.9%	71,287,000	4.2%		

This schedule presents General Fund privilege tax revenues (1.2%) reported in the City of Tempe for the past four fiscal years. These revenues do not include amounts transferred to the Transit, Performing Arts, and Tax Rebates funds. The percentages shown to the right of each amount reflect the percentage increase or decrease of that amount when compared to the applicable amount for the preceding year.

# Temporary Privilege Tax Revenue - General Fund Year-to-Date Comparison- November

## **Monthly Amounts**

	2009-10	%	2010-11	%	2011-12	%	2012-13	%
Jul			-	-	873,000		934,000	7.0%
Aug			783,000		847,000	8.2%	868,000	2.5%
Sep			823,000		854,000	3.8%	892,000	4.4%
Oct			847,000		876,000	7.2%	928,000	5.9%
Nov			801,000		870,000	8.6%	865,000	-0.6%
Dec			799,000		838,000	4.9%		
Jan			1,003,000		961,000	-4.2%		
Feb			850,000		844,000	-0.7%		
Mar			796,000		910,000	14.3%		
Apr			934,000		897,000	-4.0%		
May			861,000		922,000	7.1%		
Jun			827,000		868,000	5.0%		
Totals			9,324,000		10,560,000	13.3%	4,487,000	

### **Cumulative Amounts**

	2009-10	%	2010-11	%	2011-12	%	2012-13	%
Jul			-		873,000	·	934,000	7.0%
Jul-Aug			783,000		1,720,000	119.7%	1,802,000	4.8%
Jul-Sep			1,606,000		2,574,000	60.3%	2,694,000	4.7%
Jul-Oct			2,453,000		3,450,000	40.6%	3,622,000	5.0%
Jul-Nov			3,254,000		4,320,000	32.8%	4,487,000	3.9%
Jul-Dec			4,053,000		5,158,000	27.3%		
Jul-Jan			5,056,000		6,119,000	21.0%		
Jul-Feb			5,906,000		6,963,000	17.9%		
Jul-Mar			6,702,000		7,873,000	17.5%		
Jul-Apr			7,636,000		8,770,000	14.9%		
Jul-May			8,497,000		9,692,000	14.1%		
Jul-Jun			9,324,000		10,560,000	13.3%		